

**For Immediate Release:**  
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## **Statement from Mayor Chuck Reed Regarding Renewable Energy Tax Credit**

### ***Eight-Year Extension and Expansion Could Provide Major Boost to San José's Growing Clean Tech Economy***

*SAN JOSE* – On behalf of the residents and businesses of San José, I want to thank the U.S. House of Representatives, the U.S. Senate, and the President for enacting an eight-year extension in the federal investment tax credit for both residential and commercial renewable energy installations.

With energy costs rising, this legislation will allow more families and businesses to afford solar. Earlier this year, I called on the solar industry to provide mechanisms for families to install solar for little or no money down. They responded to my Solar Challenge, and this legislation will allow them to continue to offer such financing programs going forward.

This historic action comes at a critical time, providing a long-term boost to our growing clean tech economy, which will in turn create jobs in installation and manufacturing.

Throughout this year, I advocated on behalf of the people and businesses of San José for extension of the renewable energy tax credit. I met with members of the House and Senate, Committee Chairs, and our nation's thought leaders (including the Center for American Progress and Brookings Institute) to make the case that without the extensions a new and vital industry could be set back for years.

San José's Green Vision has set an ambitious goal of becoming the world center of clean-tech innovation, and renewable energy will play a critical role in developing our clean tech economy. Our Green Vision also has set a goal of obtaining our energy from clean, renewable sources, and this extension and expansion of the federal tax credits will make this possible.

**Note: Mayor Chuck Reed will be available to meet with the media prior to today's City Council meeting at 1 p.m. in Room 120 of the San José City Hall Wing. He will be joined by representatives of the Silicon Valley Leadership Group, Save the Bay, and other organizations celebrating the one-year anniversary of San José's Green Vision.**

### **About the Federal Renewable Energy Tax Credits**

By a vote of 263-171 on Friday, October 3, the U.S. House of Representatives passed historic legislation that extends the 30-percent federal investment tax credit for both residential and commercial solar installations for 8 years. This landmark legislation is part of H.R. 1424, the *Emergency Economic Stabilization Act of 2008*, designed to address the U.S. financial crisis. It is the most significant federal policy ever enacted for the renewable energy industry. President Bush then signed the bill into law. The Senate had previously passed the bill on Wednesday night.

The solar tax credit provisions will:

- Extend for 8 years the 30-percent tax credit for both residential and commercial solar installations;
- Eliminate the \$2,000 monetary cap for residential solar electric installations, creating a true 30-percent credit;
- Eliminate the prohibition on utilities from benefiting from the credit;
- Allow Alternative Minimum Tax (AMT) filers, both businesses and families, to take the credit; and
- Authorize \$800 million for clean energy bonds for renewable energy generating facilities, including solar.

### **About San José's Green Vision**

On October 7, 2007, Mayor Chuck Reed introduced San José's Green Vision, which sets 10 ambitious goals for environmental protection and economic development. This 15-year plan envisions: creating 25,000 Clean Tech jobs; building or retrofitting 50 million square feet of green buildings; installing 100,000 solar roofs (1/10 of Governor Arnold Schwarzenegger's 1 million solar roofs for California initiative); reducing per capita electricity use by half; becoming a zero waste city; recycling and reusing 100 percent of the city's water; and moving to 100 percent renewable energy. San José, the nation's tenth largest city, already is a leader in clean energy and solar innovation, with leading corporations such as SunPower, SoloPower, Stion, Nanosolar, Fat Spaniel, SunWize, Sopogy, and others headquartered in the city. Electric vehicle manufacturer Tesla Motors recently announced that it would locate its headquarters and new manufacturing plant in San José.

For more information, visit [www.sanjoseca.gov/greenvision/](http://www.sanjoseca.gov/greenvision/).

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